

NEBRASKA NATURAL RESOURCES COMMISSION

MEETING MINUTES – August 15, 2018

Roll Call:

Commissioners		Absent	Present	Commissioners		Absent	Present
Amen	Karen		X	Rains	Darrell M.		X
Anderson	Garry		X	Reynolds	Michael (Mick)		X
Barels	Brian		X	Schroer	Lyle		X
Batie	Donald		X	Shields	Jim		X
Clouse	Stan		X	Smathers	Scott		X
Czaplewski	Mark		X	Steffen	Jeff		X
Deines	Dave		X	Strauch	Walter Dennis		X
Dunbar	Brad	X		Sugden	Steven	X	
Fornoff	Kevin		X	Taylor	Loren		X
Hadenfeldt	N. Richard		X	Thompson	Jim		X
Halligan	Bill	X		Wilke	Greg		X
Heaston	John		X	Wright	Chad		X
Knutson	Thomas		X	(Livestock)	Vacant		
Kraus	Don		X				

DNR staff in attendance:

Kent Zimmerman, LeRoy Sievers, Tim Freed and Jill Richters.

Others in attendance were:

Dustin Wilcox, NARD; Russell Callan, LLNRD; Terry Julesgard, LNNRD.

CALL TO ORDER, ROLL CALL

Chairman Strauch called the meeting to order at 1:30 p.m. in the Holiday Inn Hotel & Convention Center, Kearney, Nebraska, and asked Zimmerman to call the roll. Strauch then introduced John Heaston, a new Commission member appointed by Governor Ricketts to represent the interests of Nebraska Agribusiness.

NOTICE OF THE MEETING

Notice of the meeting was published on the State Public Meetings Calendar and on the Natural Resources Commission web site at <https://nrc.nebraska.gov>. A copy of Nebraska's open meeting statutes was available in the room.

MINUTES

Knutson moved and Amen seconded the motion to approve the minutes of the May 17, 2018 Commission meeting.

Motion Passed.

Commissioner	Aye	Nay	Abstain	Absent	Commissioner	Aye	Nay	Abstain	Absent
Amen	X				Rains	X			
Anderson	X				Reynolds	X			
Barels	X				Schroer	X			
Batie	X				Shields	X			
Clouse	X				Smathers	X			
Czaplewski	X				Steffen	X			
Deines	X				Strauch	X			
Dunbar				X	Sugden				X
Fornoff	X				Taylor	X			
Hadenfeldt	X				Thompson	X			
Halligan				X	Wilke	X			
Heaston	X				Wright	X			
Knutson	X				(Vacant)				
Kraus	X				TOTALS	23	0	0	3

PUBLIC COMMENTS

Chairman Strauch opened the floor for public comments, none were offered.

DNR UPDATE & EXPENDITURES REPORT

Tim Freed reviewed the NRC Fund Expenditures and Cash Funds Balances as of July 31, 2018, including a FY19 2% reduction in the DNR operating budget, and explained there was a 4% reduction for:

- NSWCP down \$75,255 for FY19.
- RDF down \$125,613 for FY19.
- WSF down \$429,557 for FY19. The cash transfer was also reduced to \$6,000,000. When asked how much was available to commit to the current applications, Freed replied the investment income added to the cash transfer and re-appropriation provide about \$13,400,000. (Note: Subsequent to the meeting the amount available to commit to current applications was revised downward to about \$10,800,000).

- SWFCF the entire unobligated balance (\$743,262) was transferred on July 13 2018, to the General Fund pursuant to LB 944.

Chairman Strauch requested that Freed email a written FY19 fund reduction report to Commissioners showing the amount of reduction for each fund to aid in discussions with Senators and constituents.

PROGRAM COMMITTEE

Because the Program Committee did not meet, staff led the discussion on agenda topics pertaining to program activities. No unusual activity was reported during review of status reports for the following funds.

Resources Development Fund

- Status report listing reimbursements and balances was reviewed and an estimated timeline for project close-outs was discussed.

Small Watersheds Flood Control Fund

- Staff noted all funding had been transferred to the general fund in accordance with the 105th Legislature, 2nd Session. The fund will continue to be listed as an unfunded program.

Soil & Water Conservation Program Fund

- Staff noted that after the 2% FY18 budget reduction some NRDs had a negative FY18 ending balance. Those that had a negative FY18 ending balance had their FY19 (July 1) starting balance adjusted by an equal amount. All were subject to the 4% FY19 budget reduction.

Natural Resources Water Quality Fund

- A \$440,000 distribution was made to NRDs last week, the next distribution will be in February.

Water Well Decommissioning Fund

- Only \$70,000 was distributed this year, down from \$120,000 last year due to reduction in the number of well registrations and the corresponding decrease in fund revenue.
- Middle Niobrara NRD joined the fund and will start receiving a share of the allocation this year.

Water Sustainability Fund

- Staff reviewed the financial report including each project's grant, reimbursement and current balance. Batie asked about transferring project fund balances from those that have closed-out to that available to new projects. Chair Strauch stated that the Executive Committee had met earlier in the day and discussed inviting some of the project sponsors into the next Commission meeting to discuss their project and give an update on progress for the purpose of aiding Commissioners in their discussions with senators on fund performance.
- Regarding WSF applications filed in July 2018, staff reported the following:
 - One Combined Sewer Overflow application for \$1,030,952.
 - Nine applications for \$250,000 or less with requests totaling \$1,434,930.
 - Eight applications for more than \$250,000 totaling \$14,931,916.
 - Requests total \$17,397,798.
 - Applications are being reviewed by DNR staff as required by §§ 2-1509 through 2-1511; and by the Game and Parks Commission for T&E issues. The target date to pass the applications, found to be "satisfactory" by the Director, to the Commission is on or before October 1, 2018.
- Chairman Strauch announced the names of the 2018 Applications Review Committee; Scott Smathers, Chairman, Jeff Steffen, Vice-Chairman, Brad Dunbar, Greg Wilke, Karen Amen, Loren Taylor, Garry Anderson, Mark Czaplewski, and Don Kraus with Jim Thompson and Dennis Strauch serving as alternates. (Note: Immediately following the Commission meeting this committee met to discuss meeting dates and locations. Schedule conflicts required Strauch to replace himself with Stan Clouse as one of the 2018 Committee's alternates.)

Comprehensive Planning Committee

- Sievers noted that even though the Commission doesn't report directly to the Governor, the Governor has final say over any rule amendment. Therefore, input from the Governor's staff prior to proceeding is important so that changes aren't rejected by the Governor at the last step.
- Chairman Barels stated that once the governor's Policy Research Office staff reply that they have no concerns with the proposed changes, the next step will be for the Commission to authorize moving forward with public notice and conducting a hearing. After additional review and adoption by the Commission the proposed rules are then review in the Attorney General's (AG) office and ultimately, if signed by Governor Ricketts, become effective. Barels also reported the Comprehensive Planning Committee met on July 18, 2018. The Committee discussed the following:

- 1.) Proposed changes to Title 260 Rules of Practice and Procedure, to follow the AG's model rules, have not had an informal public meeting to describe, discuss and receive feedback.
- 2.) No one attended the June 21 Public Information meeting to review changes to Rules Titles 257, 259, 262, & 263. Authorization to formally move forward and set a hearing date will be sought from the Commission once comments from PRO are received.
- 3.) The issue of whether or not an applicant needs to acquire permits prior to making an application and how to proceed with changes to Title 261. The committee scheduled a two day meeting later in August, and one in September, to develop and draft a couple workable alternatives as well as to discuss other issues. The committee will then form and including input and feedback from a stakeholders group. Depending upon stakeholder group scheduling, draft changes will likely be presented to Commissioners at one of the next two Commission meetings for additional feedback.

Other Business

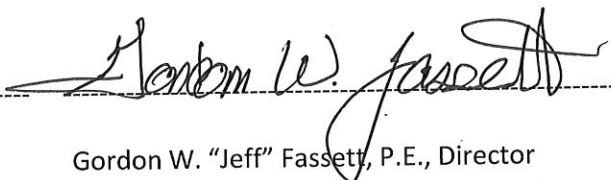
- A vacancy exists for the Commission position to represent Livestock Producers due to the resignation of Lindsey Smith.
- A one page WSF document and a power point presentation will be produced for use by Commissioners when talking to senators and giving presentations.
- Seven caucuses will be held January 4 – 14, 2019. Those caucuses include two members within the Missouri River Tributaries Basin; and one each from the Lower Platte River Basin, South Platte River Basin, Loup River Basin, Big Blue River Basin and Nemaha River Basin. Preparation for the caucuses begins in November after the General Election by obtaining a list of each NRD's board members including the mailing address of their primary residence to determine which river basin each is eligible to vote in.
- The December meeting will start at 9:00 a.m. due to the length of time required to score projects and listen to project sponsor updates.

Adjournment

- The meeting was adjourned at 2:10 p.m.



Dennis Strauch, Chairman



Gordon W. "Jeff" Fassett, P.E., Director